

NORTH BAY REDEVELOPMENT PROJECT  
PROJECT AREA COMMITTEE

Minutes of Meeting  
March 2, 2005

The meeting was called to order at 7:32 AM at the Peninsula Community Service Center by Chair Mannino. Proceedings ensued as follows:

1. ROLL CALL / PRELIMINARY MATTERS

Members present included Alexander, Briggs, Coker, Cole, Doyle, Dugas, Durgan, Hardesty, Kalla, Kanters, Knapp, Mannino, Munster, Nelson, Perreira, Pursel, Rhodes, Sands, Seman, Simpson, and Valentine.

2. MINUTES OF PREVIOUS MEETINGS

Minutes from February 2, 2004 were approved, as amended to show Sharon Smith present (15-0-2).

3. COMMUNICATIONS AND PUBLIC COMMENT

- Staff reported the following recent developments:
  - A public workshop for the Midway Community Plan Amendment will be held: *Wednesday, March 23, 2005, 6:00-8:00 PM at the Holiday Inn (3737 Sports Arena Blvd.)*
  - Construction has begun on the ROsecrans “Queue Jump” transit improvement project.
  - A proposal has been received for mixed-use housing on 2015 Hancock

4. NEW BUSINESS

A- Presentation & Discussion of Development Proposals for the North Bay Gateway Area. Chair Mannino asked for public comment on this item, which concerns the proposed development of a two-block area bound by Hancock, Kurtz, Riley, and Sherman Streets. Agency staff (Alex Greenwood) then gave a presentation covering: an overview of the North Bay Redevelopment Area, the Owner Participation Process, and information about the North Bay Gateway site. Presentations were then heard from two the developer teams that have submitted proposals for the North Bay Gateway site:

- Kenton Properties, which is proposing a 124-unit condominium development on two blocks of land; and
- Sedlack Development, which is proposing 8 apartment units and 8 office suites on their own property.

PAC members and community members then had a second opportunity to make comments, ask questions, and express opinions about the two proposals. A listing of public comments appears as Attachment A to these Minutes and is incorporated into these Minutes by reference (see Attachment A). This issue was referred to the Project Review Subcommittee, which would report back to

the PAC at a Special Meeting to be held on the first Wednesday in April, at which time the PAC would vote to take a position on the project.

## 5. REPORTS

A- Information Item - Update on Midway Plan Amendment Process (A. Greenwood). The Midway Community Plan Amendment is proceeding. A public workshop was held January 22 and was successful. The next public workshop will be held: *Wednesday, March 23, 2005, 6:00-8:00 PM at the Holiday Inn (3737 Sports Arena Blvd.)*

Report from the Rules & Bylaws Subcommittee on a Proposed Amendment to the North Bay PAC Bylaws to Institute Quarterly PAC Meetings (J. Coker).

Judith Coker presented the recommendations of the Rules & Bylaws Subcommittee, which met on February 16, 2005. The Subcommittee recommended that Article III, Section 2 of the Bylaws be amended to read:

“The Committee shall conduct regular meetings on the first Wednesday of every third month (i.e. March, June, September and December) and special meetings on such additional dates and at locations as members agree to. These special meetings will be scheduled at 7:30 a.m. on the earliest Wednesday practicable to discuss any new projects ready to come from the project review subcommittee to the full committee.”

Motion (Nelson, Coker) to amend the PAC Bylaws as recommended by the Subcommittee. After some discussion, there was a motion (Sand, Munster) to call the question (Approved: 13-3-0). The original motion to amend the Bylaws was then approved by a vote of 10-7-1.

Motion (Rhodes, Knapp) to further amend Article III, Section 2 of the Bylaws be amended to read: “Agency staff shall notify the Committee Chair and the Chair of the project Review Subcommittee when there are redevelopment proposals underway that are deemed by Agency staff to be potentially feasible.” After some discussion, there was a motion (Hardesty, Kalla) to call the question (Approved: 12-3-0). The original motion by Rhodes was then approved by a vote of 14-2-1.

## 6. ADJOURNMENT

The meeting was adjourned at 9:30 AM

Dated March 2, 2005

Alex Greenwood, Project Manager

Approved by vote of the Committee on \_\_\_\_\_, 2005.

Joe Mannino  
Chair

Keith Rhodes  
Secretary

**ATTACHMENT A:**  
**Community Input received on North Bay Gateway Proposed Project**  
**PAC Item #4A, March 2, 2005**

The attached comments is input received at the March 2, 2005 North Bay PAC meeting where both of the proposals were presented by the proposed developers.

- Many of the businesses in the proposed area are old businesses.
- One of the existing businesses makes trade show booths for the high tech industry, and therefore helps in our overall strategy to attract high tech.
- There is a potential of toxic waste and people shouldn't be living over toxic waste.
- We have not heard about this project before.
- What happened to the 11 projects that we recommended be the top priorities for North Bay?
- Vanard is 100% against this project.
- Vanard is a printing company that has been in the area for years. Printing presses are expensive to relocate.
- Vanard offers full coverage for all of their 36 employees and is a union shop
- Vanard is an important business.
- Kenton sat on the Sports Arena Ad Hoc Committee and this project never came up in the discussions.
- Environmental impacts supposedly are deducted from the value of land paid to the property owner. This is happening in the downtown, where some property owners are stuck being paid little or nothing for their properties.
- I'm retired and that property is 80% of my income. This deal will only give me 70% of my income. I have handicapped children that I support.
- The San Diego Police Association wants money from me to help needy children. I told them to help me from getting my property stolen from me.
- Upset about the measures that are taken. The methods used are just awful. It's a terrible thing.
- In mid-December letters went out to the property owners, why has it taken so long to hear about this project.

**Comments received after presentations from Developers**

- Who made the \$650,000 offer to buy the [Vanard] property?
  - Answered by Gilbert Enciso: Torrey Pines Commercial made the initial offers to the property owners on behalf of Kenton Properties, LLC
- What assistance from the Redevelopment Agency are you requesting? Is the zoning of the properties consistent with the proposal?
  - Answered by Bill Kenton: Design is out of the zoning regulations. We are in active negotiations with one property owner. We have asked for land assembly assistance.

- Why did the Ad Hoc Committee not know about this project?
  - Answered by Joe Mannino: The Ad Hoc Committee's purpose was to study the 95 acres of land owned by the City and make recommendations on future land uses. This proposal was not relevant to the Committee's work.
- You show pictures of the Les Girls site but their property is not part of your proposal.
  - Answered by Gilbert Enciso and others: The Les Girls property is, in fact, within the proposed project area.
- Not all properties included in your selected site are blighted.
- Need to understand where the actual project is? What parcels does Kenton actually own? (Note: Aerial map was shown again outlining proposal area. Kenton's parcels encompass about 40% of the total project site.)
- Are you considering affordable housing on the site?
  - Answered by Kenton: we plan to provide affordable housing onsite targeted for Teachers, police, etc. We are looking at providing the amount of housing required by the Inclusionary housing ordinance. Our target price range for the market rate units is in the mid-condo range which is currently around \$500,000.
- This has a bad smell to it.
- I have no objection to you developing your own property but leave other people's property alone.
- Is inclusionary housing the same as affordable housing?
  - Answered: Technically they are the same but there are different formulas attached when determining the affordable price and number of units. Inclusionary housing for sale housing requires 10% of the units to be set-aside for families earning 100% of the area median income.
- I would like to know more about the specifics of eminent domain.
- What about the heavy traffic?
- Last two weeks the legal ramifications of eminent domain have been in the news. Every jurisdiction has ruled against eminent domain. The 5<sup>th</sup> amendment prohibits the use of eminent domain for public use. It is best for people to read 99 Cent Stores vs. the City of Lancaster if they want to succeed with this project.
- Kenton should deal fairly with the property owners, and not try to involve the city.
- What is the square footage of the condos?
  - Answered by Bill Kenton: About 1,600 square feet or less
- Interested in seeing affordable housing built onsite
- The Agency needs to notify property owners that they can be creative in developing alternate proposals, and that they do not necessarily have to follow the existing zoning.
- If the highest and best use for the site is condos, will the property owners be able to ask for that use as their purchase price.